

TOP SECRET

25X1



10 May 1962

Copy No. C

25X1

96

CENTRAL INTELLIGENCE BULLETIN



25X1

State Dept., JCS reviews completed

TOP SECRET

25X1

Approved For Release 2003/05/16 : CIA-RDP79T00975A006300450001-2

Approved For Release 2003/05/16 : CIA-RDP79T00975A006300450001-2

10 May 1962

CENTRAL INTELLIGENCE BULLETIN

CONTENTS

1. Laos: Withdrawal from Nam Tha turns into rout.
(Page *i*)

2. USSR: Further high-level personnel changes may
be under way. (Page *ii*)

25X1

4. Communist China - Japan: Joint exploitation of iron
ore deposits on Hainan Island to be discussed. (Page *iii*)

25X1

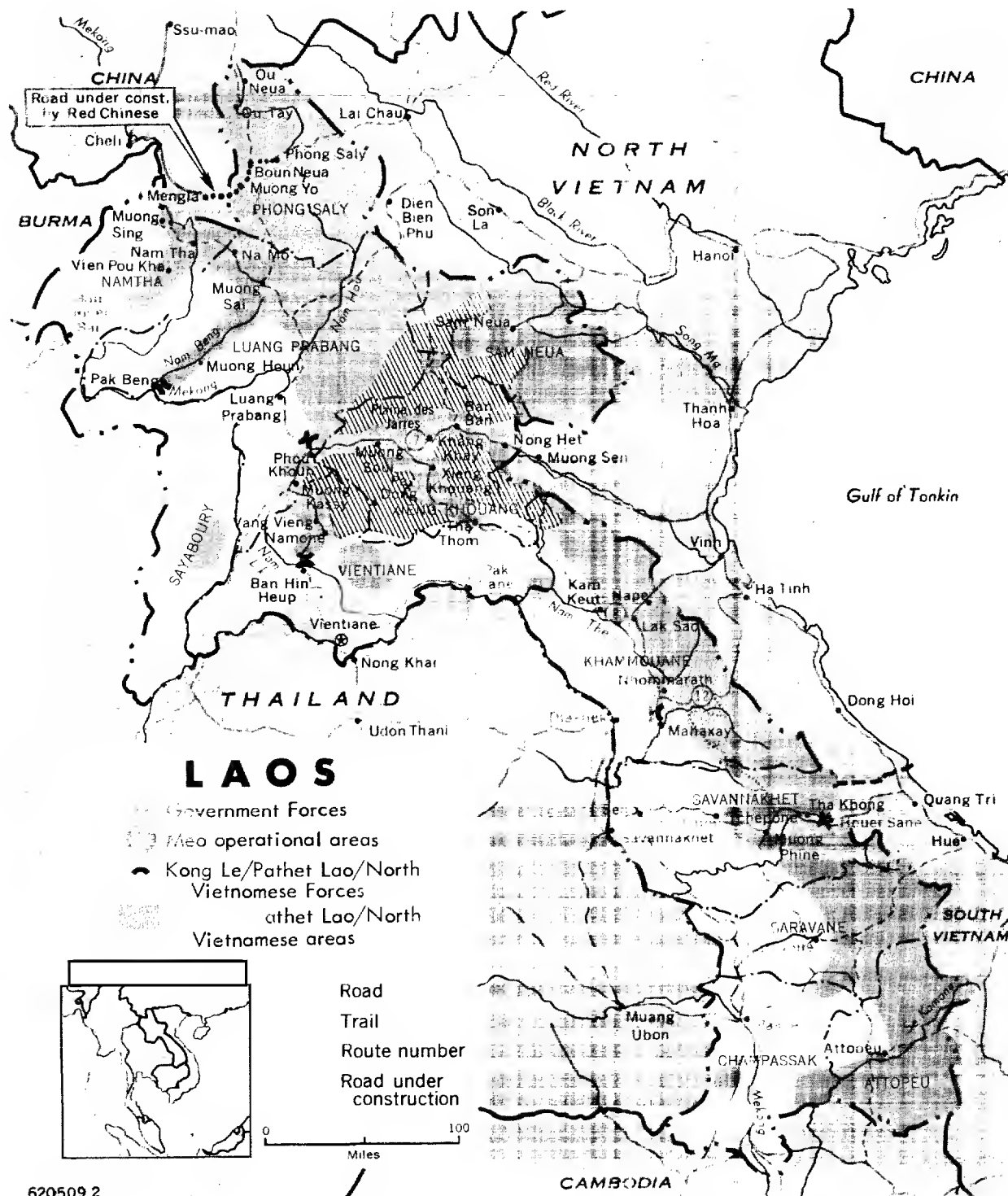
6. Israel-Syria: Israelis continue armed patrols on
Lake Tiberias. (Page *iv*)

7. Britain-Rhodesia: London makes new effort to achieve
area's orderly transition to independence. (Page *iv*)

25X1

9. Watch Committee Conclusions. (Page *vi*)

25X1



10 May 62

CENTRAL INTELLIGENCE BULLETIN

Map Page

CENTRAL INTELLIGENCE BULLETIN

10 May 1962

DAILY BRIEF

Laos: The initially orderly withdrawal of government troops from Nam Tha toward Ban Houei Sai, the government's alternate command post near the Thai border, apparently has turned into a rout. Chief MAAG, General Tucker, who visited Ban Houei Sai on 9 May, reports that Lao army commander General Bounleut hopes that the former Nam Tha garrison troops can be regrouped for a stand a few miles outside that border town. On the basis of his findings, however, General Tucker estimates that the combat effectiveness of the retreating government troops is nil. They are approximately 30 miles, or two days' march, from Ban Houei Sai.

25X1

On the basis of findings by its Watch Committee, the United States Intelligence Board on 9 May reached the following conclusion concerning Laos:

The seizure of Nam Tha has compromised the RLG position in all northern Laos, including the defense of Luang Prabang. Enemy pressure continues on RLG troops withdrawing from Nam Tha. Enemy actions against other RLG-held areas are probable. Lao government positions in southern Laos remain vulnerable, and the enemy retains the capability to move against any of the population centers with little warning.

25X1

25X1

25X1

25X1

[redacted]
USSR: [redacted] The recent abrupt downgrading of party secretary and Leningrad party leader Ivan Spiridonov and the reappointment of Andrey Kirilenko to the party presidium suggest that further important personnel changes are still under way.

[redacted] The ouster of Spiridonov is probably connected with a change in the political fortunes of party secretary Kozlov--long considered a top contender to succeed Khrushchev. Khrushchev--and not Kozlov--went to Leningrad, Kozlov's stronghold, to speak at the meeting which effected Spiridonov's removal as regional party boss. Khrushchev's personal intervention will be widely interpreted in the party as publicly associating him with a move detrimental to Kozlov's position. [redacted]

25X1

25X1

[redacted]
25X1

10 May 62

DAILY BRIEF

ii

[redacted]
25X1

25X1

Communist China - Japan: According to a reliable source of the US Embassy in Moscow, a Japanese representative is to meet with the Chinese ambassador in Moscow on 10 May to discuss "joint exploitation" of the rich iron ore deposits on Hainan Island, developed originally by the Japanese during the occupation of China.

In return for Japanese assistance, Peiping may be willing to supply large quantities of iron ore to Japan. The two countries have been discussing the possibility of increasing exports of Hainan ore since late last year as a means of paying for rising Chinese purchases in Japan. Prior to the break in Sino-Japanese trade relations in 1958, the Hainan deposits were a primary factor in the Japanese steel industry's interest in expanding trade with China.

25X1

25X1

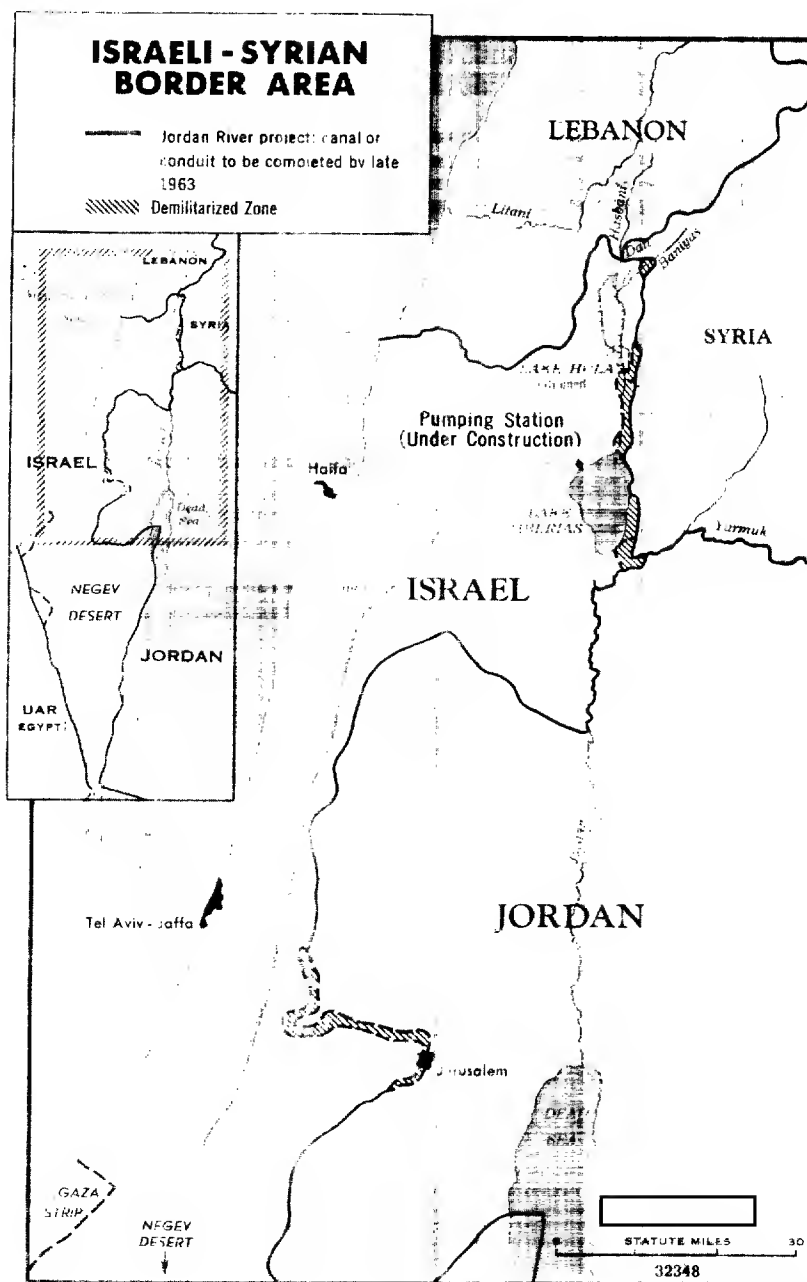
25X1

10 May 62

DAILY BRIEF

iii

25X1



25X1

25X1

10 May 62 CENTRAL INTELLIGENCE BULLETIN Map Page

Israel-Syria: The Israelis are continuing their armed patrols on Lake Tiberias near Syrian territory even though fishing by Syrians on the lake has virtually ceased. The patrols, which are intended to enforce Israel's disputed claim to sovereignty over the entire lake, violate the 1949 armistice agreement, which prohibits Israel from operating armed boats in the eastern part of the lake. General Von Horn, chief of staff of the UN Truce Supervision Organization, regards the patrolling as "aggressive and provocative."

Syrian Army Chief of Staff Kamal said on 4 May that Syria would allow 15 more days before opening fire on the boats. Since it seems unlikely that Israel will be intimidated, there is a possibility of renewed clashes which could again lead to Israeli reprisal action. [REDACTED]

25X1

Britain-Rhodesia: [REDACTED] Home Secretary R. A. Butler, second in cabinet rank to Macmillan, is to arrive in the Federation of Rhodesia and Nyasaland on 11 May for a two-week survey. His visit marks a new stage in Britain's efforts to achieve an orderly transition to independence for the area. In the face of overwhelming African opposition to a continuation of the federation--viewed by the Africans as a device to perpetuate domination by the white minority--London is seeking a scheme which would permit some form of association among the territories for their economic well-being and to ease racial tensions.

25X1

[REDACTED] Butler told the House of Commons on 8 May that any such association must be based on the good will of its peoples. Although Britain's initiative will be well received by many whites and Africans, federal prime minister Welensky heads powerful forces opposed to a weakening of the Federation. [REDACTED]

25X1

10 May 62

DAILY BRIEF

iv

[REDACTED]
25X1

25X1

Approved For Release 2003/05/16 : CIA-RDP79T00975A006300450001-2

Approved For Release 2003/05/16 : CIA-RDP79T00975A006300450001-2

WATCH COMMITTEE CONCLUSIONS

25X1

On the basis of findings by its Watch Committee, the United States Intelligence Board concludes that:

No Sino-Soviet bloc country intends deliberately to initiate direct military action in the immediate future.

Laos: Carried on Page i of Daily Brief

25X1

NATIONAL INTELLIGENCE ESTIMATES

25X1

The United States Intelligence Board, on 9 May 1962, approved the following national intelligence estimates:

NIE 12.4-62 : "The Outlook in East Germany,"
9 May 1962

25X1

SNIE 58-3-62: "Implications of the Fall of Nam
Tha," 9 May 1962

25X1

Advance conclusions are normally distributed within 24 hours of approval, and the printed text within five days.

10 May 62

DAILY BRIEF

vi

25X1

Britain Seeks Rhodesian Solution

In March Butler was given responsibility for all affairs in the Federation. Previously the Commonwealth Relations Office had been responsible for the federal government and Southern Rhodesia, and the Colonial Office for Northern Rhodesia and Nyasaland. This arrangement invited dissension and delays. Butler's reputation as a "modern Tory" reformer should help him in his initial dealings with the Africans, and Welensky has reacted favorably to his appointment.

Pending formulation of any proposals, Britain has a delicate balance to maintain in the Federation. Nyasaland's dominant African nationalist, Hastings Banda, demands separate independence, but has relaxed his pressures recently in response to British assurances that his views will be heeded. Northern Rhodesia faces the possibility of its first African-controlled government as a result of elections this fall under an intricate constitution designed to favor moderates of both races. Whatever government emerges will probably favor ending the present federal structure.

Southern Rhodesia, where the white community, with seven percent of the population, is dominant, has had self-government since 1923. Africans will gain a greater, though still minor, political role there under a new constitution that will bring territorial elections in October. Southern Rhodesian Prime Minister Whitehead has taken the initiative in sounding out Banda with a view toward arranging some future association. Britain's efforts are further aided by the fact that the influence of Welensky, the arch-defender of the Federation, has been weakening.

Nevertheless, the US Consulate General in Salisbury notes that Welensky retains strong backing from the white community and controls the principal security forces. Moreover, the consulate general warns that Welensky is capable of a rash act such as declaring the Federation independent. Although he could not make such a declaration stick for long, any such move would probably destroy the efforts of Britain and the moderates in the Federation to bring the races closer together and preserve some of the federal relationship.

THE PRESIDENT

The Vice President

Executive Offices of the White House

Special Counsel to the President

Military Representative of the President

The Special Assistant for National Security Affairs

The Scientific Adviser to the President

The Director of the Budget

The Director, Office of Emergency Planning

The Director, National Aeronautics and Space Administration

The Department of State

The Secretary of State

The Under Secretary of State

The Under Secretary of State for Political Affairs

The Deputy Under Secretary of State for Political Affairs

The Counselor and Chairman of the Policy Planning Council

The Director of Intelligence and Research

The Treasury Department

The Secretary of the Treasury

The Under Secretary of the Treasury

The Department of Defense

The Secretary of Defense

The Deputy Secretary of Defense

The Secretary of the Army

The Secretary of the Navy

The Secretary of the Air Force

The Assistant Secretary of Defense (International Security Affairs)

The Assistant Secretary of Defense

The Chairman, The Joint Chiefs of Staff

Chief of Naval Operations, United States Navy

Chief of Staff, United States Air Force

Chief of Staff, United States Army

Commandant, United States Marine Corps

U.S. Rep., Military Committee and Standing Group, NATO

Supreme Allied Commander, Europe

Commander in Chief, Pacific

The Director, Defense Intelligence Agency

The Director, The Joint Staff

The Director for Intelligence, The Joint Staff

The Assistant Chief of Staff for Intelligence, Department of Army

The Director of Naval Intelligence, Department of Navy

The Assistant Chief of Staff, Intelligence, Department of the Air Force

The Department of Justice

The Attorney General

The Federal Bureau of Investigation

The Director

The Atomic Energy Commission

The Chairman

The National Security Agency

The Director

The United States Information Agency

The Director

The National Warning Center

The Director

TOP SECRET

TOP SECRET